

## **Refreshments Reference Guide May 2003**

- Food or refreshments may NOT be purchased with appropriated funds when the purpose is to:
  - maximize the time of executives;
  - get the participants acquainted and interacting;
  - encourage participants to arrive on time; and
  - break the ice.
- Purchases of refreshments and meals that are not supported by the appropriate documentation may result in loss of charge card privileges, repayment of expenses, and potential disciplinary action.
- When in travel status, if a lunch or dinner meal is paid for by the sponsor of an event, attendees must reduce the per diem claim on their travel voucher by the amount allotted for that meal.
- The cost of refreshments may not be made as part of another fee, such as a conference room rental, when they are otherwise not allowable.
- Purchase of meals or refreshments for people outside of the Federal Government is not allowed, absent specific statutory authority.

The situations where we can provide meals and refreshments are divided into three different categories of approval and documentation requirements as follows.

### **Category 1. APPROVAL BY ASSISTANT SECRETARY, LAND AND MINERALS MANAGEMENT**

#### **Internal Conferences and Meetings With Over 30 Attendees**

In accordance with Federal Travel Regulations (FTR) Amendment 89, light refreshments are an allowable expense for conferences with over 30 attendees. These conferences must be approved by the Assistant Secretary for Land and Minerals Management. This authority may be redelegated to the Deputy Assistant Secretary for Land and Minerals Management. Recurring internal meetings up to 50 attendees may be exempted by the Assistant Secretary; however, an exempted meeting may not include light refreshments. The expense for light refreshments may not exceed 30 percent of the meals and Incidental Expenses Rate Per Day Per Attendee.

The FTRs Amendment 89 states that, with very limited exceptions, refreshments are to be provided only to Federal employees where the majority of attendees are in travel status. A recent Comptroller General (CG) Decision, B-288266, dated January 27, 2003, ruled that General Services Administration (GSA) does not have authority to authorize agencies to pay for light refreshments for those not in travel status. On January 30, 2003, GSA Travel Advisory #7

advised agencies that until such time as GSA resolves this issue with The General Accounting Office, light refreshments cannot be provided to individuals in non-travel status at Government expense under the authority of the FTRs. In addition, payment for light refreshments for non-Federal speakers, as stated in the Department of the Interior (DOI) Financial Administration Memorandum No. 2001-011, is in question as an allowable expense. Costs of this nature should not be incurred.

If the costs of meeting rooms, refreshments, etc., associated with a conference exceed \$2,500, they will need to be procured by a contracting officer. Contact your contracting officer early in the planning process to help with making the arrangements. If under \$2,500, the meeting room and refreshment costs can be paid for by a non-warranted cardholder who has authority to use the purchase business line of the Government charge card.

### **Documentation Requirements**

Conference planning requests must be routed to the Assistant Secretary through your State/Center Director and your Washington Office Program Assistant Director. The DOI Financial Administration Memoranda (FAM) No. 2001-011 and No. 2001-012, and FTR Amendment 89 contain DOI and Federal guidance related to planning conferences and meetings. Documentation for the Assistant Secretary must include a proposed participant log showing names and duty stations, a draft agenda, and a determination that refreshments are prudent. In addition, the documentation must include an analysis of the costs associated with per diem and airfare to locations considered. If the conference costs for food, conference room rental, etc., exceed \$2,500, you must also include competition among hotels in the selected location. Documentation must be filed with the obligation document, e.g., purchase order or charge card account and include a copy of the Assistant Secretary's approval to conduct the conference.

### **Category 2. APPROVAL BY STATE/CENTER DIRECTOR**

#### **Award and Recognition Ceremonies**

The Government Employees Incentive Awards Act (GEIAA) authorizes expenditure of appropriated funds for necessary expenses to complement agency functions when the principal purpose is to recognize employees.

Light refreshments may be purchased not to exceed \$2 per person or \$500, whichever is less, per event per organizational entity, to facilitate public recognition of award recipients under GEIAA. Examples of light refreshments are coffee, tea, cookies, pastries, cake, punch, and other food provided in quantities that are not considered to be a meal, nor can they be used to supplement a meal.

Attendance at the event may not be confined to the award recipients and the donor. For the purpose of this determination, an organizational entity is defined as:

State Office  
Field Office  
National Center  
Washington Office

### **Combined Federal Campaign (CFC)**

Agencies may cooperate in charity fundraising campaigns for health and welfare activities, even though these activities are not specifically provided for by statute (67 Comp. Gen. 254). Light refreshments may be purchased to promote the CFC, not to exceed \$2 per person or \$500 per event, whichever is less.

### **Ethnic Celebrations**

Samples of ethnic foods prepared and served as part of celebrations intended to promote Equal Employment Opportunity objectives by increasing employee appreciation for cultural heritage of differing ethnic groups are allowable. The ethnic food samples are intended to serve an educational, and not merely an entertainment, function. Samples must not be served as a meal. (Comptroller General (CG) Decision B-199387)

### **Training**

The Government Employees Training Act (GETA) authorizes payments for meals or refreshments for those attending training programs, in travel status, or at their duty stations when it is determined that providing meals or refreshments is a necessary expense incidental to providing the training and to the employees' achieving the objectives of the program. Training is defined in GETA as ". . . the process of providing for and making available to an employee . . . a planned, prepared, and coordinated program, course, curriculum, subject, system, or routine of instruction or education, in . . . fiscal, administrative or other, fields which are . . . directly related to the performance by the employee of official duties for the Government . . . ."

The mere fact that employees may become informed or learn about a subject as a result of a scheduled meeting does not necessarily qualify the meeting as a "program . . . of instruction or education" for the purposes of this document.

### **Documentation Requirements**

A written determination must be made and filed with the obligation document, e.g., purchase order or charge card account. The determination should include, at a minimum, the following information when applicable:

- (1) Date and location of event;
- (2) Estimated number of attendees;
- (3) Number of honorees, if applicable;
- (4) Estimated cost; and
- (5) Authorizing statute citation.

Authority for approving expenditures is delegated to the State Director. This authority may be redelegated.

### **Category 3. NO SPECIAL APPROVALS REQUIRED**

#### **Meetings and Conferences–Non-Government Sponsored**

Meals and refreshments at meetings and conferences sponsored by others may be a necessary expense when attendance is determined to be essential to ensure full participation and the meeting is not an internal business meeting. These meetings must involve topical matters of general interest to Government and non-Government participants (68 CG Decision 606).

#### **Registration or Attendance Fees, With Meals Included**

Payment of registration fees that include a nonseparable charge for the cost of a meal or refreshments representing an incidental part of the training that is externally organized or sponsored, regardless of whether the training is held at or away from the duty station, may be an allowable cost. A written determination must document that:

- (1) Attendance is necessary to full participation;
- (2) The employees are not free to take meals elsewhere without missing essential formal discussions, lectures, or speeches concerning the purpose of the meeting; and
- (3) The meal is part of a formal conference or meeting that includes not only functions such as speeches or business carried on during the meal, but also substantial functions taking place separate from the meal.

#### **Registration or Attendance Fees, With Meals as a Separate Item**

Meal expenses may be an allowable cost when the benefits of attendance would be lost if the employee missed the meals. All of the conditions in the previous paragraph must be met and documented.

#### **Documentation Requirements**

A written determination to the purchase order or charge card file must document that:

- (1) Attendance is necessary to full participation;
- (2) The employees are not free to take meals elsewhere without missing essential formal discussions, lectures, or speeches concerning the purpose of the meeting; and
- (3) The meal is part of a formal conference or meeting that includes not only functions such as speeches or business carried on during the meal, but also substantial functions taking place separate from the meal.

### **Volunteers**

The Bureau of Land Management (BLM) Manual Section 1114 - Volunteers, allows for the reimbursement, or payment, of meal expenses while on assignment. Meals may be purchased, whether directly by the BLM or as reimbursement to the volunteer, in conjunction with authorized volunteer activities. In order to procure meals on the charge card, you must have purchasing authority.

Fixed rates are determined as part of the volunteer agreement. The meal cost cannot exceed the portion of the local area daily meal allowance that is allocated for that meal in the FTRs. As with employees, award ceremonies for volunteers may include light refreshments not to exceed \$2 per person or \$500, whichever is less, per event and cannot be used to supplement a meal. In accordance with the BLM Manual Section 1114 - 85.A.7, justification for the function must include a reference that "one purpose of the function is to assist in the recruitment of additional volunteers" as provided for in P.L. 98-540 as stipulated by the Comptroller General of the United States.

### **Documentation Requirements**

A copy of the volunteer agreement must be included in the charge card or purchase order file. When meals are purchased with the charge card purchase business line, the transaction documentation must include the name(s) of the volunteer(s) for which a meal was purchased. If a meal was purchased for more than one volunteer, the documentation must also include a breakout of expenditures for each volunteer.

### **Resource Advisory Councils (RAC)**

The Federal Land and Policy Management Act (FLPMA) of 1976, Section 30-9(c), States "Members of advisory councils shall serve without pay, except travel and per diem will be paid each member for meetings called by the Secretary." The RAC members can only be reimbursed for meals in accordance with the FTR while in travel status. If a meal is provided by the Government, a deduction must be taken from per diem on the travel voucher. Costs for meals may not be paid or reimbursed for RAC members when not in travel status.

## **UNALLOWABLE EXPENDITURES**

### **Internal Business Meetings**

The payment of meal or refreshment expenses in connection with internal business meetings sponsored by Government agencies is not an allowable expenditure. The presence of a mealtime speaker between two segments of a general meeting to discuss business, management, and day-to-day operations does not provide an adequate basis to treat the meeting as other than an internal Government business meeting (CG Decision B-230939).

### **Social Gatherings, Including Retirement Ceremonies**

Appropriated funds are not available for social events or gatherings, including retirement ceremonies.

## **REFERENCES**

Amendment 89 to the FTRs, January 14, 2000.

Comptroller General Decision, B-288266, dated January 27, 2003.

GSA Travel Advisory #7, dated January 30, 2003.

DOI Financial Administration Memorandum No. 2001-011, Conference Planning -  
Implementing Guidance, July 25, 2001.

DOI Financial Administration Memorandum No. 2001-012, Conference Planning – Clarification  
on Internal Meetings, September 7, 2001.

5 U.S.C. 4101 - Training. Definitions.

5 U.S.C. 4109 - Expenses of Training.

5 U.S.C. 4110 - Expenses of Attendance at Meetings.

5 U.S.C. 4501 - Incentive Awards. Definitions.

P.L. 98-540, Amendment to the Volunteers in the Parks Act of 1969, October 24, 1984.  
BLM Manual Section 1114 - Volunteers.

67 CG Decision 254: CFC.

68 CG Decision 606: Internal Business Meetings and Conferences.

CG Decision File: B-230939 - Meals for Attendees at Internal Government Meetings.

CG Decision File: B-247966 - Coast Guard -- Coffee Break Refreshments at Training Exercise -  
Non-Federal Personnel.

CG Decision File: B-270199 - Pension Benefit Guaranty Corporation -- Provision of Food to  
Employees.

CG Decision File: B-247563.4 - Expenditures by the Department of Veterans Affairs include  
decisions on (1) employee breakfasts, (2) refreshments at employee meetings, (3) Christmas  
cards and stamps, (4) per diem in excess of amount authorized, and (5) CFC receptions.

CG Decision File: B-199387 - Army -- Food Served at Cultural Awareness Celebrations.

CG Decision File: B-250250 GSA incurring food and entertainment expenses at the grand  
opening of a Government cafeteria.